## **DEPARTMENT OF FINANCE BILL ANALYSIS**

AMENDMENT DATE: June 14, 2011 BILL NUMBER: AB 320 POSITION: Neutral fiscally; defer to the Natural Resources AUTHOR: J. Hill

Neutral liscally, defer to the Natural Resources

Agency

RELATED BILLS: AB 499 (Hill)

## **BILL SUMMARY:** Environmental Quality Act: Determination: Dispute

Existing law establishes appeal procedures for any entity challenging a California Environmental Quality Act (CEQA) decision made by a lead agency.

This bill would require the plaintiff challenging a CEQA decision to name recipients of a project approval identified by the lead agency in its notice of determination or notice of exemption in an appeal. The bill would also clarify the definition of a 'real party in interest' in a CEQA challenge. The change in procedure would only apply to challenges brought after December 31, 2011.

## FISCAL SUMMARY

The bill would not have a fiscal impact on the state because a state department, acting as a lead agency under CEQA, already identifies recipients of project approval in its notice of determination or notice of exemption under existing CEQA guidelines. Therefore, the bill would not result in new workload for a lead agency.

Under Section 6(b) of Article XIII B of the California Constitution, whenever the Legislature or any state agency mandates a new program or higher level of service on any local government, the state shall provide a subvention of funds to reimburse such local government for the costs of such program or increased level of service, except that the Legislature may, but need not, provide such subvention of funds for the following mandates. However, the bill requires no reimbursement to the local government as it has the authority to levy service charges, fees, or assessments to pay for the program mandated by the bill.

## **COMMENTS**

The Department of Finance is fiscally neutral on the bill. We defer to the Natural Resources Agency on the policy issue.

Existing law requires the plaintiff challenging a CEQA decision to list all 'real parties in interest' in the appeal filed with the court. However, the notice of determination or notice of exemption made by the lead agency does not necessarily identify all 'real parties in interest'. Consequently, the plaintiff typically names more parties than necessary in an appeal to ensure that all 'real parties in interest' have been named. If the plaintiff fails to name a party, the appeal can be dismissed. The bill would make it harder to dismiss a challenge to a CEQA decision for this technical reason by clarifying that only recipients of a project approval identified by the lead agency in its notice of determination or notice of exemption must be named in an appeal. An appeal could still be dismissed if the recipient of a project approval is not named in the challenge, but the court could extend the time to notify a recipient of a project approval if it determines that the plaintiff made a good faith effort to make the required notifications.

Analyst/Principal (0634) M. Almy	Date	Program Budget Manager Karen Finn	Date		
Department Deputy Di	rector		Date		
Governor's Office:	By:	Date:	Position Approved		
	•		Position Disapproved		
BILL ANALYSIS			Form DF-43 (Rev 03/95 Buff)		

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BILL ANALYSIS/ENROLLED BILL REPORT(CONTINUED)						Form DF-43		
AUTHOR			AME	NDMENT DATE		BILL NUMB	ER	
J. Hill	June 14, 2011					AB 320		
	SO			(Fiscal Imp	act by Fiscal Year)			
Code/Department	LA	(Dollars in Thousands)						
Agency or Revenue	CO	PROP					Fund	
Туре	RV	98	FC	2011-2012 FC	2012-2013 FC	2013-2014	Code	
9990/Var Depts	SO	No	No/Minor Fiscal Impact 0				0001	